



**State of New Jersey**

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June 9, 2010

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## **Office of the Medicaid Inspector General seeks \$5.6 million recovery from Garden Adult Medical Day Care Center and termination of Garden as a Medicaid provider**

Today, the Office of the Medicaid Inspector General (OMIG) is releasing a 30 page report detailing its findings from its investigation of Garden Adult Medical Day Care (GAMDC) located at 717-727 Broadway, Newark, New Jersey, 07104.

New Jersey's Adult Medical Day Care program, administered by the New Jersey Department of Health and Senior Services (DHSS), provides medically necessary services in an ambulatory care setting to clinically eligible individuals. These individuals, due to physical or mental impairment, require intensive health maintenance, rehabilitative, and restorative services to allow them to remain in the community.

On June 5, 2003, GAMDC became a Medicaid provider of adult medical day care services. On June 11, 2009, OMIG, in collaboration with DHSS, launched an investigation of GAMDC. The investigation resulted from a tip received by OMIG.

Based on OMIG's review of medical charts and records of 50 Medicaid recipients from the date of admission through June 30, 2009, OMIG concluded that GAMDC received reimbursement from the New Jersey Medicaid Program for services not rendered for each of the 50 recipients. The services not rendered included blood pressure and blood sugar monitoring, medication administration, weight and seizure monitoring, assistance with activities of daily living, physical therapy, pain management and various documentation errors. OMIG identified the amount of the principal overpayment at \$1,870,247.50.

OMIG alleges that GAMDC either intentionally submitted Medicaid claims for the 50 recipients when it knew it did not render the services, or submitted the claims in reckless disregard of whether the services were rendered, and therefore OMIG is seeking treble damages of three times the principal overpayment amount of \$1,870,247.50 or \$5,610,742.50.

“The adult medical day care program is invaluable to the vulnerable citizens of New Jersey who need assistance with daily living and their families who care for them. However, providers who abuse the program not only take away business from the providers who are genuinely performing these services, they are taking precious Medicaid dollars away from the program that would otherwise go to treat the people who need these services the most,” says Medicaid Inspector General Mark Anderson. “We need to address these abuses to ensure that the program is available to those who need it most.”

OMIG is also recommending that GAMDC and its principals, Marat Zeydelis, 50, 156 Stonegate Drive, Staten Island, NY 10304, Zoya Halal, 54, 131 Finucane Place, Woodmere, NY 11598, and Larisa Melnik, 49, 2506 East 66<sup>th</sup> St., Brooklyn, NY 11234 be excluded from the Medicaid program. OMIG is referring GAMDC to the Medicaid Fraud Control Unit within the New Jersey Attorney General’s office to determine if GAMDC’s conduct violated any criminal statutes.

The OMIG report also outlines recommendations to the Department of Health for all adult medical day care providers, including imposing greater fines for a facility’s failure to comply with submitted plans of correction and program suspension for repeated violations, and changing the responsibilities of the Medical Director and Pharmacy Consultant to better oversee the care of participants in adult medical day care facilities. For OMIG’s detailed findings, please visit the Office’s website at [www.nj.gov/njomig](http://www.nj.gov/njomig) for the full report.

If anyone has information about fraud, waste or abuse in the Medicaid program, please contact the Office of the Medicaid Inspector General toll free at 1-888-937-2835 or visiting the Office’s website at [www.nj.gov/njomig](http://www.nj.gov/njomig). All information received through the hotline or website may be submitted confidentially.